

## BLM Cedar City Field Office Site Inspection Report

September 30, 1999

To: Case file UTU-71326, 43 CFR 3809 Disturbance  
From: Ed Ginouves, CCFO Mining Engineer  
Subject: Site Inspection

On September 29, 1999, I conducted an inspection of the subject site. The previous inspection was in June, 1999. The site includes two surface mining operations (referred to as the south and north pits) to extract "uncommon varieties" of banded/veined marble. The marble is referred to commercially as "Picasso marble", and comes in a variety of veining and color combinations, but is typically of two main types: a lighter marble with red, brown, and grey veining (common at the north pit), and a dark grey marble with black veining (common at the south pit, but also available at the north pit).

The purpose of the inspection was to meet with the claimant/operator, Mr. David Penney, of Beaver, regarding reclamation at the site that was called for in its operations plan, but had yet to be completed. I had already granted Mr. Penney a year's delay in this reclamation and had reminded him by certified letter dated July 26, 1999, that failure to either amend the existing mining plan or perform the reclamation by this fall would result in a notice of non-compliance at the site. In mid-September, Mr. Penney had called and left a message on my office phone informing me that he would be mining marble at the site and would like to meet with me regarding what needed to be done to keep him in compliance. After multiple unsuccessful attempts to reach him on the cellular phone number (435-559-0201) he left on his message, I contacted Tom Munsen at DOGM and obtained his home phone number (435-438-5522). I reached him at his home phone number on September 27<sup>th</sup> and agreed to meet with him at the site on the morning of the 29<sup>th</sup>.

When I arrived at the north site (at 9:15 AM), Mr. Penney, his daughter Tina, and a hired hand out of Beaver were at the site load out filling cardboard shipping containers with hand picked blocks of Picasso marble. I spent about 5 hours at the site discussing site related reclamation issues, the permitting process, bonding, the marble markets, and the Penney's sculpting of marble.

Some general information obtained through my conversation with Mr. Penney and his daughter:

The operation is essentially operated by Mr. Penney and his daughters. Mr. Penney owns a small tracked loader, which he uses to build and maintain the necessary access trails and roads, and to tram excavated marble the short distance from the pit area to the load out. He also owns a semi-truck with a flat bed trailer for hauling the marble from the site. He leases a track hoe to excavate the marble from the pit areas and to move adjacent waste rock. No blasting is required as the rock is adequately fractured and loosened by the winter-spring freeze-thaw cycles. The operation is campaign-mined on an as-needed basis, and this mining typically takes just several weeks each year. The remainder of the time the site is idle and no equipment is stored at the site.

The marble occurs in (principally) two north-south trending bands that are vertically oriented, 3-4' in thickness, and separated by several feet of waste rock. The bands are offset at erratic intervals by offset faults. The marble is all sorted or culled on site. The smaller block material (approximately 1' blocks and smaller) is hand loaded into 4' by 4' by 4' heavy duty cardboard cubes on pallets and trucked from the site by semi-trailer. Each cube holds roughly 2 tons of rock. The cubes are loaded into steel containers



designed for ocean-going container ships, trucked to the west coast, loaded onto container ships and shipped worldwide. The principal bulk stone customer is presently China. The rough blocks are sawn into smaller pieces at a carving factory where large numbers of local craftsmen hand shape and polish the stone into a variety of objects such as animal figures, beads, and jewelry. The carved items are then exported worldwide. The rock that is sold in multi-ton bulk lots is sold at \$0.77/kg (\$0.35/lb or \$700/ton). The larger blocks are sorted at the site and reserved for special orders of block marble for large sculptures. This select block marble is typically sold at the rate of \$1.00/lb. Mr. Penney, his daughter Tina, and his other daughter all sculpt stone and also use some of the larger pieces for sculpture. These sculptures are marketed through art galleries, and are typically multi-thousand dollar pieces.

On average, about 100 tons/yr of marble has been extracted for the site since start-up. The bulk of the waste rock is non-veined marble, silicified limestones and marble, and clay gouge.

Mr. Penney is presently trying to expand sales volume by marketing some of the larger blocks on site to be cut as decorative tile. Depending upon his ability to extract large enough blocks to make the cutting process economic, this could dramatically increase the mining rate at the site.

The main focus of the discussion was regarding the issue of bonding as the mine site is now very close to the 5-acre threshold requiring the posting of a reclamation bond under State law. Mr. Penney was very concerned about the cost of such a bond. I explained to Mr. Penney that there were really only two options available to him:

1. Perform sufficient ongoing reclamation at the north, the south, or both sites, that he could continue to expand the pit areas and not trigger the 5 acre-threshold, or:
2. Trigger the 5 acre threshold and post a bond for the amount of acreage that his plan called for disturbing on an ongoing basis.

I told him that the reclamation bond amount would be calculated by the State, based on the reclamation plan that was acceptable to the BLM, and that a cash or cash-equivalent instrument would have to be made available to the State to secure the reclamation estimate (I learned from Tom Munsen, on 9/30/99, that a letter of credit could also be used). I told Mr. Penney that for a mine site such as this, with the bulk of the disturbance being open pits and waste dumps, that the bond amount would be roughly \$3,500/ acre.

Mr. Penney, Tina, and I walked most of the disturbances of the north site, in part to better understand what Mr. Penney's plans are for the site, and in part to assess what could presently be reclaimed. Since the last inspection, the Penney's have walked a large track hoe up a trail on the north side to about the side hill cut that was to be reclaimed last year. In the process of accessing this cut, the Penney's noticed a patch of good quality marble in the trail that they wanted to excavate. They were also working the main pit at the north end and had expanded the working pad and waste dump footprint in this area (see the site map). Mr. Penney also identified two other sites, adjacent to existing disturbed areas where he wanted to excavate multi-ton sample via shallow open cuts. Each sample would likely disturb 200-300 sq. ft. The problem I see in reclaiming any of the existing disturbances is that in conflict with Mr. Penney's desire to use all the existing disturbed areas of the site to obtain a variety of different types of marble for different end uses. While the bulk of the production comes from the main pit, Mr. Penney is clearly interested in maintaining access to, or developing, a variety of marble types to obtain bulk samples for marketing.

Mr. Penney offered me two examples of small sculptures made by the Chinese from the Picasso marble mined at the site. One carving was a turtle, and the other was a tarantula on a branch. The boxes indicated that the turtle was valued at \$100 and the tarantula at \$300. I explained to Mr. Penney that I could not accept the sculptures as a gift as the value exceeded the limitation set by ethics laws applying to govt. employees, but that if he wanted to loan the pieces, I would be willing to display them in a public room display case as examples of products made from rock mined on public land. I told him that he should feel free to take these items back at any time, for any reason.

I obtained photographs from a variety of vantage points, including the same vantage points as prior inspections for comparison purposes. I also updated the site map to reflect any new disturbances or



proposed disturbances. left the north site at about 2:30 PM with no clear idea as to how Mr. Penney would resolve the 5-acre issue. I told him I would speak with Tom Munsen of DOGM regarding options at the site, but that the only options that I was aware of were those noted above. I gave him a verbal OK to disturb the several small areas adjacent to the existing trails to obtain small (~2-4 ton) samples of marble from these locations. I told him I would check into the areas that had actually been cleared for critical resources in the initial notice review to help make him aware of areas he needs to about permission from the BLM for prior to disturbing via a notice/plan amendment.

I next drove to the south site, where Mr. Penney had been mining the prior week. His work there had consisted of extracting marble from the upper portion of the main pit, and in the process of doing this he has expanded the dump area adjacent to the south side of the upper pit area. The existing access trail paralleling the south side of the pit had been buried and a new access trail created, again roughly parallel to the southern edge of the dump, about 50' further south. These were the only new disturbances noted in the south pit. I photographed the pit areas and updated the pit map before leaving to allow a recalculation of the total disturbed area.

The attached copies of the original base maps of the north and south pit areas (made 8/6/97) were updated in red pencil to reflect the additional disturbances noted in the 9/29/99 inspection. The additional disturbances totaled 0.68 acres, bringing the current disturbed area total to 4.57 acres.